

MINUTES OF SEPTEMBER 17, 2009, MEETING

DRAFT

**STATE OF WISCONSIN
EMPLOYEE TRUST FUNDS (ETF) BOARD
AUDIT COMMITTEE**

Holiday Inn Hotel and Suites, Conference Room C
1109 Fourier Drive, Madison, WI

COMMITTEE MEMBERS PRESENT:

Rosemary Finora, Chair Wayne McCaffery, Vice-Chair	Kathy Kreul, Secretary
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PARTICIPATING EMPLOYEE TRUST FUNDS (ETF) STAFF:

Dave Stella, Secretary Rhonda Dunn, Executive Assistant	John Vincent, Director, Office of Internal Audit
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OTHERS IN ATTENDANCE:

ETF Office of Internal Audit: Ron Andrews	Legislative Audit Bureau (LAB): Brandon Brickner, Brian Belford
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Rosemary Finora, Chair, Audit Committee (Committee), called the meeting to order at 7:35 a.m.

CONSIDERATION OF MINUTES OF PREVIOUS MEETING

MOTION: Ms. Kreul moved to accept the minutes of the June 18, 2009, Audit Committee meeting, as submitted by the Board Liaison. Ms. Finora seconded the motion, which passed without objection on a voice vote.

Mr. McCaffery joined the meeting at 7:40 a.m.

John Vincent, Director of the Office of Internal Audit, introduced Ron Andrews of ETF as well as Brandon Brickner and Brian Belford of the LAB.

2009-2011 AUDIT PLAN Mr. Vincent reviewed and discussed the Department's 2009-2011 Audit Plan. The content of the plan was created using the Internal Audit risk assessment model in conjunction with information obtained from ETF division and office management, and from discussions with the Secretary's Office.

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Dave Stella, Secretary; Rhonda Dunn, Executive Assistant; and Mr. Vincent answered questions from the Committee.

RETIREMENT CALCUALTION SYSTEM AUDIT Mr. Vincent reviewed and discussed the recent completion of a three-year Retirement Calculation System Audit with the Committee. The audit objective and scope were developed in conjunction with the Division of Retirement Services and included:

- Records Disposal Authorization Review
- Message Code (computer edits of data) Analysis
- Synchronization of Retirement Calculation/Annuity/Wisconsin Employee Benefit System Electronic Data
- Computer Program Maintenance Controls
- Computer Job Control Language Controls
- Staff Access to Electronic Data

In its findings and conclusions, the Office of Internal Audit found that further security and access controls are needed. The Secretary's Office has requested a report by June 30, 2010, identifying best practices of information system security, role-based access, and data stewardship from the Division of Management Services, business areas, and the Office of Internal Audit.

Mr. Stella, Ms. Dunn, and Mr. Vincent answered questions from the Committee.

FOLLOW-UP As follow-up to the June 18 2009, meeting, the Committee was provided with documents for the 2007 and 2008 Comprehensive Annual Financial Report (CAFR) timetables.

ADJOURNMENT

MOTION: Ms. Kreul moved to adjourn the meeting. Mr. McCaffery seconded the motion, which passed without objection on a voice vote.

The Audit Committee of the ETF Board adjourned at 8:06 a.m.

Date Approved: _____

Signed: _____

Kathy Kreul, Secretary
Audit Committee